

Charity Registration No. SC041030

Company Registration No. SC360708 (Scotland)

THE BIRKS CINEMA TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

WEDNESDAY



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COMPANIES HOUSE

THE BIRKS CINEMA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr J F Freeman (Chair) Mr D Swan Mr G Baxter Mr R P Baker Mr K J Ramage Ms P Walker-Booth
Secretary	J & H Mitchell LLP
Charity number	SC041030
Company number	SC360708
Registered office	J & H Mitchell LLP 51 Atholl Road PITLOCHRY Perthshire PH16 5BU
Independent examiner	Steven Menzies CA Johnston Carmichael LLP 66 Tay Street PERTH PH2 8RA

THE BIRKS CINEMA TRUST

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THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2016)".

Objectives and activities

The charity's objects are to:

- develop and manage the Birks Cinema premises to promote the arts, heritage and culture, by providing a location for films, music, drama and entertainment and for other community-related facilities,
- advance development of the communities of Highland Perthshire and Killin Parish for their benefit and for the benefit of the members of the public generally, and
- advance education in the arts, heritage and culture by providing educational films and other media and by organising and promoting training, tuition and courses.

The main activities of the Board during the year were:

- further strengthening the trading position of the subsidiary to target break even with reduced funding,
- improving the efficiency of operations through performance metrics and expense control, and
- developing and increasing the volume of community activities in line with the charity's objects.

Achievements and performance

Operation of The Birks Cinema Limited

Total admissions were 32,700 an increase of 3% on the prior year. Film admissions were flat in relation to the prior year and live event admissions were up by 40% to 3000. As live events carry higher ticket price, total ticket sales increased by 7% . Total sales were up by 1.5% and gross profits up by 6.5% as efficiency measures took effect. Administrative expenses were cut by 20% to bring costs in line with income

The cinema programme continued to include a diversity of films (over 300 different films in total), including popular drama, adventure, educational and children's films. Increasingly popular and successful live event screenings included opera, ballet and theatre.

Decisions that helped to improve the profitability of the trading subsidiary included:

- Staffing levels were adjusted to match anticipated footfall in a more flexible and efficient way
- Volunteers were used more widely in ushering, maintenance and support at events
- Cost reductions were achieved not just in staffing but in heat and light, office expenses, repairs and maintenance and insurances. Day to day running costs were tightly controlled
- Experience and data driven choice of on date vs post release programming.

Operation of the Charity

In compliance with the social responsibilities of the charity, during the year the Birks Cinema hosted:

- Weekly acoustic music evenings
- Screenings and events during the Aberfeldy Film Festival and the 'Young Indies' film competition
- Screenings of a monthly film selected by Heartland Film Society
- Screenings for The Scottish Mental Health Arts Film festival.

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

Financial review

Results for the year ended 31 March 2017 are given in the Statement of Financial Activities on page 5. The assets and liabilities are given in the Balance Sheet on page 6. The financial statements should be read in conjunction with the related notes which appear on pages 7 to 20.

In summary total income amounted to £91,677 (2016 - £132,367), resources expended (running costs) totalled £167,767 (2016 - £173,707), resulting in net expenditure for the year of £76,090 (2016 - £41,340).

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's administrative expenditure, excluding depreciation. During the year to 31 March 2017 total expenditure, net of depreciation amounted to £51,590 therefore unrestricted reserves should be maintained at a level between £12,897 and £25,794.

The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

At the balance sheet date the charity held total reserves of £1,570,508 (2016 - £1,646,598) of which £57,119 (2016 - £24,482) were unrestricted, £39,875 (2016 - £37,574) were designated and £1,473,514 (2016 - £1,584,542) were restricted.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a company limited by guarantee, incorporated on 4 June 2009 with charitable status and without a share capital.

The trustees, who are also the directors for the purpose of company law, and who served during the period from 01 April 2016 to the date the financial statements were approved, were as follows:

Mr J F Freeman (Chair)
Mr D Swan
Mr G Baxter
Mr R P Baker
Mr K J Ramage
Ms P Walker-Booth

Under the requirements of the Articles of Association, the number of trustees shall be not less than three and, unless otherwise determined by special resolution at a General Meeting, not more than nine. Membership shall be open to those individuals who are resident in Highland Perthshire and/or Killin Parish, who are aged 16 and over and who are interested in the objectives of the charity.

At each AGM, one-third of the elected trustees shall retire from office, but are eligible for re-election, except that no trustee can serve more than three consecutive terms in office. Having served three consecutive terms, the trustee must then take one year out of office before being eligible to serve again.

The trustees hold regular meetings between each AGM, set the strategy and policy, and generally control and supervise the activities of the charity. The trustees are responsible for monitoring its financial position and, in areas of activity where there are no employees or contracted staff, are responsible also for the day-to-day management of the charity. Appropriate training will be given to newly elected members on the duties and responsibilities of trustees.

None of the trustees has any beneficial interest in the company. The trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

THE BIRKS CINEMA TRUST

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

The Birks Cinema Trust (TBCT) is the ultimate parent company of The Birks Cinema Limited (TBCL), a company managing the trading activities within the Birks Cinema.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees' report has been approved by the Board of Trustees.



Mr J F Freeman (Chair)

Trustee

Dated: 27.7.2017



Mr D Swan

Trustee

Dated: 27 JULY 2017

THE BIRKS CINEMA TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE BIRKS CINEMA TRUST

I report on the accounts of the charity for the year ended 31 March 2017, which are set out on pages 5 to 20.

This report is made to the charity's board of trustees, as a body, in accordance with the terms of engagement. My work has been undertaken to enable me to undertake an independent examination of the charity's accounts on behalf of the charity's board of trustees and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's board of trustees as a body, for my work or for this report.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity's trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

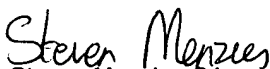
Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations (as amended); and
 - (ii) to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations (as amended);have not been met; or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


Steven Menzies CA

For and on behalf of

Johnston Carmichael LLP
66 Tay Street
PERTH
PH2 8RA

Dated: 31 July 2017

THE BIRKS CINEMA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

		Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2017	Total 2016
	Notes	£	£	£	£	£
<u>Income from:</u>						
Donations and legacies	3	5,486	5,000	11,486	21,972	75,342
Charitable activities	4	12,272	-	31,164	43,436	33,550
Other trading activities	5	1,644	-	-	1,644	2,691
Investments	6	24,625	-	-	24,625	20,784
Total income		44,027	5,000	42,650	91,677	132,367
<u>Expenditure on:</u>						
Raising funds	7	390	-	-	390	284
Charitable activities	8	11,000	2,699	153,678	167,377	172,623
Other	12	-	-	-	-	800
Total expenditure		11,390	2,699	153,678	167,767	173,707
Net income/(expenditure) for the year/ Net movement in funds		32,637	2,301	(111,028)	(76,090)	(41,340)
Reconciliation of Funds						
Fund balances at 1 April 2016		24,482	37,574	1,584,542	1,646,598	1,687,938
Fund balances at 31 March 2017		57,119	39,875	1,473,514	1,570,508	1,646,598

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BIRKS CINEMA TRUST

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Intangible assets	13		6,102		3,547
Tangible assets	14		1,231,306		1,343,546
Investments	15		2		2
			<u>1,237,410</u>		<u>1,347,095</u>
Current assets					
Debtors	17	323,598		296,275	
Cash at bank and in hand		23,277		15,486	
		<u>346,875</u>		<u>311,761</u>	
Creditors: amounts falling due within one year	18	<u>(13,777)</u>		<u>(12,258)</u>	
Net current assets			<u>333,098</u>		<u>299,503</u>
Total assets less current liabilities			<u>1,570,508</u>		<u>1,646,598</u>
The funds of the charity:					
Restricted funds	19		1,473,514		1,584,542
Unrestricted funds - designated	20		39,875		37,574
Unrestricted funds - general			57,119		24,482
			<u>1,570,508</u>		<u>1,646,598</u>

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

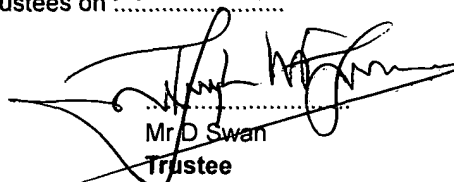
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 27 JULY 2017



Mr J F Freeman (Chair)
Trustee



Mr D Swan
Trustee

Company Registration No. SC360708

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Company information

The Birks Cinema Trust is a private company limited by guarantee incorporated in Scotland. The registered office is J & H Mitchell LLP, 51 Atholl Road, PITLOCHRY, Perthshire, PH16 5BU and the business address is Quaich House 4 Dewars Steading, Coshieville, Aberfeldy, Perthshire, Scotland, PH15 2NE.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have considered the going concern position of the charity and have also reviewed the position regarding the recovery of the amount owed by The Birks Cinema Limited of £313,924, as they are currently showing a deficit in the accounts at 31 March 2017. The trustees are reviewing various options for the recovery of this loan and how to improve the trading performance of its subsidiary, TBCL.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.4 Incoming resources

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Revenue support donations and gifts

The company has agreed the provision of revenue support funds by funders during an initial five year period, to enable the development of a robust trading model for its subsidiary TBCL. All revenue support funds are received by the company, before being transferred as required to the trading subsidiary. These revenue support funds are recorded under Donations and Legacies when received, and then recorded as a loan repayable by TBCL to the company when the funds are transferred to TBCL.

Income from charitable activities relates to community activity grants and programmes and is recognised when entitlement has occurred.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Bank interest is shown gross and accrued where applicable.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category and include irrecoverable VAT. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Charitable expenditure is incurred in direct pursuance of the charity's principal objects and as set out in the trustees' report.

Governance costs are those of a constitutional, strategic or statutory nature with respect to the general running of the charity, rather than day to day management.

1.6 Intangible fixed assets other than goodwill

Licences are included at cost and amortised in equal annual instalments over a period of 3 years which is their estimated useful life.

Licences	33% straight line
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1.7 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Land and buildings	5% straight line
Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance and 33% straight line

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The company is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for charitable purposes.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors consider there to be no critical accounting estimates and judgements, other than depreciation.

Depreciation

Depreciation is calculated to fully write off the cost of assets over their estimated useful life. Management estimate the useful life of each asset. Details of the depreciation charged in the period are included in note 14.

3 Donations and legacies

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total 2017	Total 2016
	£	£	£	£	£
Donations and gifts	1,740	5,000	11,486	18,226	75,342
Membership fees	3,746	-	-	3,746	-
	<u>5,486</u>	<u>5,000</u>	<u>11,486</u>	<u>21,972</u>	<u>75,342</u>
For the year ended 31 March 2016	<u>1,489</u>	<u>1,000</u>	<u>72,853</u>		<u>75,342</u>
Donations and gifts					
Donations	1,740	-	-	1,740	1,489
Seat Sponsorship	-	5,000	-	5,000	1,000
Big Lottery - revenue support grants	-	-	10,986	10,986	72,853
Perth & Kinross Council	-	-	500	500	-
	<u>1,740</u>	<u>5,000</u>	<u>11,486</u>	<u>18,226</u>	<u>75,342</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017 £	2016 £
Community activities - grants	31,164	26,150
Community activities - other income	12,272	7,400
	<u>43,436</u>	<u>33,550</u>
Analysis by fund		
Unrestricted funds - general	12,272	
Restricted funds	31,164	
	<u>43,436</u>	
For the year ended 31 March 2016		
Unrestricted funds - general		7,400
Restricted funds		26,150
		<u>33,550</u>
Community activities - grants		
Scottish Rural Development Programme - LEADER	9,674	-
The Gannochy Trust	8,000	12,000
Scottish and Southern Energy	-	10,800
Big Lottery Fund - Storytelling	7,070	-
BBC Children in Need	5,320	-
Foundation Scotland	-	2,000
Perth & Kinross Council Befriending Project	-	1,100
PKAVS	600	-
Enchanted Forest Community Trust	500	-
Other	-	250
	<u>31,164</u>	<u>26,150</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

5 Other trading activities

	Unrestricted funds general £	Total 2017 £	Total 2016 £
Fundraising events	1,031	1,031	1,899
Social lotteries	613	613	792
Other trading activities	1,644	1,644	2,691
For the year ended 31 March 2016	2,691		2,691

6 Investments

	Unrestricted funds general £	Total 2017 £	Total 2016 £
Rental income	20,646	20,646	20,784
Output VAT correction on rental income	3,978	3,978	-
Interest receivable	1	1	-
	24,625	24,625	20,784
For the year ended 31 March 2016	20,784		20,784

Rental income is received from TBCL, for the lease of the Birks Cinema, subject to the terms of a five year lease contract, under which the rental charge is based on the trading turnover of TBCL.

7 Raising funds

	Unrestricted funds general £	Total 2017 £	Total 2016 £
<u>Fundraising and publicity</u>			
Advertising	114	114	-
Other fundraising costs	276	276	284
Fundraising and publicity	390	390	284
	390	390	284
For the year ended 31 March 2016			
Fundraising and publicity	284		284

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

8 Charitable activities

	Trust activities £	Community activities £	Total 2017 £	Total 2016 £
Depreciation and impairment	116,177	-	116,177	128,037
Community Development Officer	-	24,815	24,815	12,734
Community activities	-	13,911	13,911	6,408
Consultancy costs	-	-	-	6,945
Advertising	265	-	265	544
Repairs and renewals	2,514	-	2,514	3,405
Animators costs	-	-	-	600
Mezzanine hire and hospitality	-	348	348	2,037
	<u>118,956</u>	<u>39,074</u>	<u>158,030</u>	<u>160,710</u>
Share of support costs (see note 9)	7,597	-	7,597	11,913
Share of governance costs (see note 9)	1,750	-	1,750	-
	<u>128,303</u>	<u>39,074</u>	<u>167,377</u>	<u>172,623</u>
Analysis by fund				
Unrestricted funds - general	9,268	1,732	11,000	
Unrestricted funds - designated	2,699	-	2,699	
Restricted funds	116,336	37,342	153,678	
	<u>128,303</u>	<u>39,074</u>	<u>167,377</u>	
For the year ended 31 March 2016				
Unrestricted funds - general	17,457	6,361		23,818
Unrestricted funds - designated	3,304	-		3,304
Restricted funds	130,083	15,418		145,501
	<u>150,844</u>	<u>21,779</u>		<u>172,623</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

9 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Insurance	6,316	-	6,316	6,294	Direct
Postage and stationery	323	-	323	-	Direct
Bank charges	897	-	897	-	Direct
Sundry expenses	61	-	61	121	Direct
Accountancy	-	1,750	1,750	2,395	Governance
Legal and professional	-	-	-	3,103	Governance
	<u>7,597</u>	<u>1,750</u>	<u>9,347</u>	<u>11,913</u>	
Analysed between Charitable activities	<u>7,597</u>	<u>1,750</u>	<u>9,347</u>	<u>11,913</u>	

Governance costs includes payments to the independent examiner of £1,750 (2016 - £1,750) for independent examination fees and £nil for other professional fees (2016 - £645).

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, but 3 trustees were reimbursed a total of £555 for expenses paid on behalf of the charity (2016 - 4 were reimbursed £922). One trustee was paid £nil (2016 - £540) for services provided in animating community activities.

11 Employees

There were no employees during the year.

12 Other

	Restricted funds	Total 2017 £	Total 2016 £
Net loss on disposal of intangible fixed assets	-	-	800
	<u>-</u>	<u>-</u>	<u>800</u>
For the year ended 31 March 2016	<u>800</u>		<u>800</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

13 Intangible fixed assets

	Licences £
Cost	
At 1 April 2016	5,320
Additions - separately acquired	6,492
At 31 March 2017	<u>11,812</u>
Amortisation and impairment	
At 1 April 2016	1,773
Amortisation charged for the year	3,937
At 31 March 2017	<u>5,710</u>
Carrying amount	
At 31 March 2017	<u>6,102</u>
At 31 March 2016	<u>3,547</u>

14 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
Cost					
At 1 April 2016	1,383,050	332,041	27,407	33,783	1,776,281
At 31 March 2017	<u>1,383,050</u>	<u>332,041</u>	<u>27,407</u>	<u>33,783</u>	<u>1,776,281</u>
Depreciation and impairment					
At 1 April 2016	207,699	192,298	15,827	16,911	432,735
Depreciation charged in the year	69,152	34,936	2,895	5,257	112,240
At 31 March 2017	<u>276,851</u>	<u>227,234</u>	<u>18,722</u>	<u>22,168</u>	<u>544,975</u>
Carrying amount					
At 31 March 2017	<u>1,106,199</u>	<u>104,807</u>	<u>8,685</u>	<u>11,615</u>	<u>1,231,306</u>
At 31 March 2016	<u>1,175,351</u>	<u>139,743</u>	<u>11,580</u>	<u>16,872</u>	<u>1,343,546</u>

15 Fixed asset investments

	Notes	2017 £	2016 £
Investments in subsidiaries	23	<u>2</u>	<u>2</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

15	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Shares
			£
	Cost or valuation		
	At 1 April 2016 & 31 March 2017		2
	Carrying amount		
	At 31 March 2017		2
	At 31 March 2016		2
16	Financial instruments	2017	2016
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	346,875	311,761
	Equity instruments measured at cost less impairment	2	2
	Carrying amount of financial liabilities		
	Measured at amortised cost	12,817	6,366
17	Debtors	2017	2016
		£	£
	Amounts falling due within one year:		
	Other debtors	9,674	80
	Amounts falling due after one year:		
	Amounts due from subsidiary undertakings	313,924	296,195
	Total debtors	323,598	296,275
18	Creditors: amounts falling due within one year	2017	2016
		£	£
	Other taxation and social security	960	5,892
	Other creditors	11,065	4,513
	Accruals and deferred income	1,752	1,853
		13,777	12,258

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

19 Restricted funds

The income funds of the charity include restricted funds comprising the following balances of donations and grants held on trust for three purposes:

- Grants towards the Capital Costs of Refurbishment
- Revenue Support Grants
- Community Activities Grants

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Income	Expenditure	£
Refurbishment				
Town Centre Regeneration Fund	244,016	-	(18,513)	225,503
Perth & Kinross Council	36,325	-	(2,756)	33,569
Awards for All	6,864	-	(521)	6,343
Investing in Ideas	2,259	-	(171)	2,088
Ward Blenkinsop Trust	31,304	-	(2,375)	28,929
Owl Bookshop Ltd	5,306	-	(403)	4,903
Craignish Trust	2,274	-	(173)	2,101
The Russel Trust	758	-	(58)	700
Big Lottery Fund - capital grant	252,446	-	(19,153)	233,293
Creative Scotland	75,805	-	(5,751)	70,054
Scottish Rural Development Programme - Rural Priorities	476,948	-	(36,186)	440,762
Scottish Rural Development Programme - LEADER	789	-	(26)	763
Hugh Fraser Trust	7,580	-	(575)	7,005
Dunard Fund	37,902	-	(2,876)	35,026
Foyle Foundation	18,952	-	(1,438)	17,514
The Gannochy Trust	36,932	-	(2,802)	34,130
Scottish Hydro Griffin Community Fund	75,805	-	(5,751)	70,054
Digital Piano	691	-	(96)	595
Other grants	683	-	(52)	631
	<u>1,313,639</u>	<u>-</u>	<u>(99,676)</u>	<u>1,213,963</u>
Revenue Support				
Big Lottery Fund - 5 years revenue support grant	185,000	10,000	-	195,000
Big Lottery Fund - revenue support grant supplementary	50,000	-	-	50,000
Big Lottery Fund - revenue support grant - Jack Roe	20,159	-	(12,480)	7,679
Big Lottery Fund - revenue support grant - ICO	2,694	986	(3,680)	-
Perth & Kinross Council	-	500	(500)	-
	<u>257,853</u>	<u>11,486</u>	<u>(16,660)</u>	<u>252,679</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

19 Restricted funds

(Continued)

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Income	Expenditure	£
Community Activities				
The Gannochy Trust	-	8,000	(8,000)	-
Scottish and Southern Energy	10,800	-	(10,800)	-
Foundation Scotland	2,000	-	(2,000)	-
Big Lottery Fund - Storytelling	-	7,070	(3,535)	3,535
BBC Children in Need	-	5,320	(2,660)	2,660
Scottish Rural Development Programme - LEADER	-	9,674	(9,674)	-
Other grants	250	1,100	(673)	677
	13,050	31,164	(37,342)	6,872
Total	1,584,542	42,650	(153,678)	1,473,514

Capital costs of refurbishment

Funds employed for the capital costs of refurbishment will be reduced by the annual depreciation charge on the relevant capital assets.

Revenue Support

Revenue support funds were provided to TBCL over an initial four-year period starting from the 2012-13 financial year, to enable TBCL to build a robust trading model. TBCT has received revenue support funds from the Big Lottery Fund of £75,000 in 2013-14, £50,000 in 2014-15, £60,000 in 2015-16, and £10,000 in 2016-2017, which have been transferred to the trading subsidiary TBCL by way of advances of funds, and included in "Amounts due from subsidiary undertakings". Additional funding to cover the remaining set up costs and trading losses was provided to TBCL from the Trust's own resources throughout the period. Funds provided as Revenue Support will be transferred to unrestricted funds following re-imbursement of the advances provided to TBCL.

Revenue support funding was also used to acquire a Cinema Management software system; the system is being depreciated over 3 years, and the revenue support grant will be reduced correspondingly.

Community Activity Grants

Grants provided for community activity purposes are reduced by the amount of expenditure incurred in carrying out the community activities for which funding was provided.

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2016 £	Movement in funds		Balance at 31 March 2017 £
		Income £	Expenditure £	
Seat sponsorship	37,574	5,000	(2,699)	39,875
	<u>37,574</u>	<u>5,000</u>	<u>(2,699)</u>	<u>39,875</u>

The trustees initially designated the seat sponsorship funds to assist towards the cost of refurbishing the Birks Cinema, and will be reduced by the annual depreciation charge on the refurbished asset. Following opening of the Birks Cinema, all new seat sponsorship is set aside to cover major repairs, and is reduced by the amount of expenditure incurred for these repairs.

21 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:				
Intangible fixed assets	500	-	5,602	6,102
Tangible assets	2,470	32,875	1,195,961	1,231,306
Investments	2	-	-	2
Current assets/(liabilities)	54,147	7,000	271,951	333,098
	<u>57,119</u>	<u>39,875</u>	<u>1,473,514</u>	<u>1,570,508</u>

THE BIRKS CINEMA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

22 Related party transactions

Transactions with related parties

The Birks Cinema Trust is the ultimate parent company of The Birks Cinema Limited (TBCL). During the year the Trust loaned funds amounting to £23,500 (2016 - £72,450) to TBCL, and TBCL repaid £14,000 (2016 - £8,250) of the loan in the year.

During the year the Trust charged, and TBCL accounted for, rent of £20,054 to the Trust (2016 - £18,495).

During the year the Trust paid utility expenses on behalf of TBCL of £11,387 (2016 - £5,008) and TBCL has paid £11,387 (2016 - £4,848) of this amount to the Trust.

At the balance sheet date £313,924 (2016 - £296,195) was due by TBCL to the Trust and is included within other debtors. The loan is unsecured, interest free and has no fixed terms of repayment. The Birks Cinema Trust has agreed to give financial support to TBCL for twelve months from the date of approval of these accounts.

23 Subsidiary

Details of the charity's subsidiary at 31 March 2017 are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class of shareholding	% Held	
			Direct	Indirect
The Birks Cinema Limited Scotland	Operation of cinema and cafe-bar	Ordinary	100.00	

Separate financial statements have been prepared for The Birks Cinema Limited.